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INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUEHBY/AMEMBASSY CANBERRA 0031
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UNCLAS SECTION 01 OF 02 SURABAYA 000064

SIPDIS

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DEPT FOR EAP/MTS AND EB/ESC/IEC
DEPT FOR DS/IS/EAP
DOE FOR CUTLER/PI-32 AND NAKANO/PI-42
COMMERCE FOR USDOC 4430

E.O. 12958: N/A
TAGS: [ECON](#) [EINV](#) [EPET](#) [ELAB](#) [ENRG](#) [PGOV](#) [ASEC](#) [ID](#)
SUBJECT: EAST JAVA MUD FLOW UPDATE: PRESIDENTIAL FLY-BY OFFERS
VICTIMS LITTLE RELIEF

REF: A. Surabaya 61

[1](#)B. Jakarta 1768
[1](#)C. Surabaya 56

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This message is sensitive, but unclassified. Please protect accordingly.

[1](#)1. (SBU) Summary: President Yudhoyono's October 25 fly-by of the Sidoarjo mud flow disaster and subsequent meeting with officials at the Surabaya airport left displaced residents skeptical of any significant action. Vice President Jusuf Kalla made similar aerial observations on October 28 and announced that decreasing mud flow volumes demonstrated that mitigation efforts are "improving." With mud breaching earthen containment dams with increasing frequency, the Porong river threatening to overflow its banks, and transportation infrastructure crumbling, the upcoming rainy season may quickly overwhelm efforts to mitigate the continuing impact of this disaster. End Summary.

FLY-OVERS AND PRONOUNCEMENTS

[1](#)2. (SBU) Although originally scheduled to visit those displaced by the Sidoarjo mud flow on his return from visiting evacuees from the nearby Mt. Kelud volcano, President Yudhoyono (SBY) settled for a helicopter fly-by of the disaster area on October [1](#)25. After his aerial tour, SBY met with Minister of Public Works, Djoko Kirmanto, the Head of the Sidoarjo Mud Disaster Management Board (BPLS) retired General Sunarso, East Java Governor Imam Utomo, and Sidoarjo Regent Win Hendrarso in the VVIP room at Surabaya's Juanda Airport. Following the meeting, Minister Djoko told reporters that four conclusions had been reached: the Governor and Regent would encourage victims to accept Lapindo's offer of 20% compensation; the Regent would develop a clear payment schedule for the remaining 80%; the mud would continue to be channeled into the Porong River; and BPLS would be issued operational funds of Rp 500 billion (USD 55 million) from the state budget. (Note: Presidential Decree 14/2007 set the deadline for full compensation payments from Lapindo for May 2008, two years after the disaster began.)

[1](#)3. (SBU) After an October 28 helicopter ride over the mud-flow site, Vice President Jusuf Kalla told reporters that the mud

flow rate was decreasing thus demonstrating improvement in mud flow management. According Kalla, as reported by the Antara News, the mud flow rate has decreased from a high of 150,000 cubic meters/day to 60,000 cubic meters/day. Kalla added that Lapindo and the government were working together to resolve the problem, pointing to efforts to direct the mud into the river as an example. He emphasized that Lapindo and the government were now focused on completing the compensation payments.

PORONG RIVER SLOWING

14. (SBU) Despite the laudatory comments from the President and Vice President, the decision to mitigate the mud flow by pushing the mud into the Porong river has created its own problems. Because of mud sedimentation, according to Tempo Interaktif, the river's depth has decreased from seven meters to just one meter.

As a result, the water flow rate has slowed from 1,500 cubic meters/second to just 500 cubic meters/second, raising fears about upstream flooding after the rainy season starts in November. According to Surya newspaper, nearby villagers have begun complaining that water from the Porong has started to leak into their houses. BPLS is employing five dredgers and excavators in an effort to push the mud sedimentation downstream.

THREATENED INFRASTRUCTURE

15. (SBU) Increasingly frequent breaches of the containment dams (Ref A) are threatening surrounding transportation infrastructure. According to the Jawa Pos, the Indonesian Railroad Company (PT KAI) has been straightening rail lines in the Siring area that are buckling as a result of subsidence. PT KAI has also reportedly asked BPLS to build drainage canals to prevent water from the mud ponds from flowing onto the tracks. BPLS has been working to increase the height of the dam which protects both the railroad and the Porong road from nine to 12 meters. Water collecting on the Jatirejo mud pond is now just 10 cm below the top of the dam. BPLS estimates that the land is

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subsiding two to 20 cm each day throughout the containment complex.

16. (SBU) According to the Jawa Pos, the Sidoarjo regency government intends to complete purchases of 75% of the land needed to relocate critical infrastructure by the end of the year. A "fair price" and a mechanism for purchasing the land have yet to be determined. The government will need to purchase a corridor 10 kms long and 120 meters wide to accommodate the relocated infrastructure. It remains unclear how concerns about an ever-widening area of subsidence will affect relocation plans.

NO COMMENT FROM VICTIMS

17. (SBU) Evacuees living in the Porong Market for the past year had no comment on recent developments. A contact at the market told the Consulate that reaction was muted because SBY had not visited as scheduled and expectations for government action were low. SBY has now made two fly-overs, but never visited the mud-flow site or the market. On June 24, SBY hosted an emotional visit by mud-flow victims at the Presidential Palace and promised funding for infrastructure and resettlement. There is little evidence that any money has been dispersed. (Ref B) Our contact added that 20 families from Renokenongo village, displaced by the collapse of Dam 42 (Ref C), had moved into the market, bringing the total back up to approximately 2,500 people.

MCCLELLAND